

By: Thompson of Harris

H.B. No. 2459

A BILL TO BE ENTITLED

AN ACT

relating to the limitation on the amount that may be charged for certain debt cancellation agreements.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 348.601(b), Finance Code, is amended to read as follows:

(b) The amount charged for a debt cancellation agreement made in connection with a retail installment contract may not exceed five percent of the amount financed pursuant to the retail installment contract ~~[must be created in good faith and be commercially reasonable]~~. Section 348.124(c) does not apply to a debt cancellation agreement regulated under this subchapter.

SECTION 2. EFFECTIVE DATE. This Act takes effect September 1, 2013.